

GOVERNMENT OF ANDHRA PRADESH

**ABSTRACT**

RED SANDERS – Disposal of 8584.1363 MTs. Red Sanders wood in log form out of confiscated / seized stock for which Government of India have accorded permission – Permission accorded to dispose about 4160 MTs. of red sanders wood in first spell by e-tender-cum-e-auction – Postponement of tender process and certain other instructions – orders – issued.

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ENVIRONMENT, FORESTS, SCIENCE AND TECHNOLOGY (Section.II) DEPARTMENT

**G.O.RT.No. 313**

**Dated. 10-09-2014.**

**Read the following:-**

1. From the DGFT, Department of Commerce, Ministry of Commerce and Industry, GoI, Notification No.47 (RE-2013)/2009-2014, dated.24.10.2013.
2. Go. Rt. No.276, EFS&T (Section.II) Dept. dated.25-7-2014.
3. Go. Rt. No.277, EFS&T (Section.II) Dept. dated.25-7-2014.
4. Go. Rt. No.278, EFS&T (Section.II) Dept. dated. 25 -7-2014
5. Tender notification dated.8-8-2014

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**ORDER:-**

The Director General of Foreign Trade, Department of Commerce, Ministry of Commerce and Industry, Government of India in the Notification 1<sup>st</sup> read above, have accorded permission to Government of Andhra Pradesh, to export 8584.1363 MTs. of Red Sanders wood in log form out of the confiscated /seized stock available with the Government of Andhra Pradesh.

2. In the G.O. 2<sup>nd</sup> read above, the Government have accorded permission to dispose about 4000 MTs. of red sanders wood by e-tender-cum-e-auction in first spell out of 8584.1363 MTs. with the starting Price of Rs.7.00 lakhs per MT. for non-grade, Rs.8.00 lakhs per MT for “C” grade, Rs. 10.00 Lakhs per MT for “B” grade, and Rs.12.00 Lakhs per MT for “A” grade as recommended by the tender committee.

3. In the references 3<sup>rd</sup> and 4<sup>th</sup> read above, orders have been issued engaging the M/s MSTC Ltd. a GoI, enterprise, for conducting sale of red sanders through e-tender cum e-auction and by appointing the Andhra Pradesh Forest Development Corporation Ltd. (APFDC Ltd) as export agency and sale proceed realization agency for disposal of Red Sanders respectively.

4. In the reference 5<sup>th</sup> read above, the Principal Chief Conservator of Forests, Andhra Pradesh, has issued tender notification for the sale of Red sanders wood by putting 177 lots weighing 4159.0693 MTs of Red Sanders wood of different grades through e-tender-cum-e-auction on 6 days starting from 19-09-2014 to 26-09-2014.

5. The Proposed sale of red sanders through e-tender-cum-e-auction involves interaction with the foreign buyers also for interaction, publicity and higher revenue realization to the Government. Therefore, a Team of Officers is going to conduct road shows cum pre-bid meetings in Beijing, Xian You in China and in Tokyo in Japan, which are major international markets for red sanders wood. In order to facilitate the foreign buyers to visit red sanders depots after completion of road show cum pre bid meetings, it requires extension of time frame fixed in the tender notification already issued in the reference 5<sup>th</sup> read above.

(Contd-2)

6. Further, in order to maintain transparency and neutrality in the whole process of finalization of tender, it is felt that the MSTC Ltd. may be directed to furnish only the highest bid amount for each lot without disclosing the identity of the purchaser to the Principal Chief Conservator of Forests for confirmation or otherwise by the Government. For early realization of revenue and for export of timber in the international market, it is decided that the sale result shall be approved within (1) week from the date of receipt of the proposal from the Principal Chief Conservator of Forests and the Principal Chief Conservator of Forests shall submit proposals to the Government within (2) days of receipt of sale result from the MSTC Ltd.

7. It is also felt that for the convenience of foreign buyers, Andhra Pradesh Forest Development Corporation may take full responsibility till consignment is dispatched from Indian port including loading, unloading, obtaining statutory permissions under CITES, Export License, Origin certificate etc. For this purpose, Andhra Pradesh Forest Development Corporation may appoint a channeling agency / forwarding agency on payment of commission. Purchasers may also be given option of getting it done by their own Indian agent. For the convenience of export and security of purchased wood and men, it is felt that the Department may give option to purchasers to export wood from any port situated within the jurisdiction of Andhra Pradesh State with proper police protection if required during transport of RS wood from depots to any exporting port in Andhra Pradesh.

8. It is further felt that, in case of any delay attributable to State government beyond three months on account of obtaining statutory permissions under CITES, Export License, Origin certificate etc., court litigations and other administrative reasons except a situation arising out of 'Force Majeure' or cancellation of allotment already made to the highest successful bidder, a rate of interest not more than 6% shall be paid to successful purchaser on the amount paid by him.

9. Further it is also decided to constitute a HELP DESK in the office of Principal Chief Conservator of Forests, headed by any senior officer in the rank of Additional Principal Chief Conservator of Forests, to provide assistance to successful purchasers and co-ordinate with Government, Andhra Pradesh Forest Development Corporation, Ministry of Environment & Forests, and Director General of Forests, for obtaining permissions under CITES, Export License, Origin Certificate etc, deal with court cases, if any and other administrative issues for timely export of purchased material to avoid payment of interest by the Govt. on account of any delay attributable to the Government.

10. Government after careful examination of all the above issues, hereby issue the following orders:-

- I. The dates of e-tender-cum-e-auction commencing from 19<sup>th</sup> Sept., 2014 shall be extended and re-fixed from 6<sup>th</sup> October, 2014 onwards to facilitate foreign buyers to visit red sanders depots after completion of road show cum pre bid meetings in in China and Japan by team of officials from Andhra Pradesh.
- II. To maintain transparency and neutrality in the whole process of finalization of tender, the MSTC Ltd. is directed to furnish only the highest bid amount for each lot without disclosing the identity of the purchaser to the Prl. Chief Conservator of Forests for confirmation or otherwise by the Government.
- III. For early realization of revenue and for export of Red sanders wood in the International market, the sale result shall be approved within (1) week of the receipt of the proposal from the Principal Chief Conservator of Forests and the Principal Chief Conservator of Forests, shall submit proposals to the Government within (2) days of receipt of sale result from the MSTC Ltd.

- IV. For the convenience of foreign buyers, Andhra Pradesh Forest Development Corporation shall take full responsibility till consignment is dispatched from Indian port including loading, unloading, obtaining statutory permissions under CITES, Export License, Origin certificate etc. For this purpose, Andhra Pradesh Forest Development Corporation shall appoint channeling agency / forwarding agency on payment of commission. Purchasers shall also be given option of getting it done by their own Indian agent.
- V. For the convenience of export and security of purchased Red sanders wood, the Forest Department shall give option to the purchasers to export wood from any port situated within the jurisdiction of Andhra Pradesh State with proper police protection if required during transportation of RS wood from notified depots to any port in Andhra Pradesh.
- VI. In case of any delay attributable to the State Government beyond three months on account of obtaining statutory permissions under CITES, Export License, Origin certificate etc., court litigations and other administrative reasons except a situation arising out of "Force Majeure" or cancellation of allotment already made to the highest successful bidder, a rate of interest not more than 6% shall be paid to the successful purchasers on the amount paid by him / them.
- VII. A HELP DESK shall be constituted in the office of Principal Chief Conservator of Forests, Andhra Pradesh, headed by an officer of the rank of Additional Principal Chief Conservator of Forests to provide assistance to successful purchasers and co-ordinate with Government, Andhra Pradesh Forest Development Corporation Ltd, Ministry of Environment & Forests, and Director General of Forests, for obtaining permissions under CITES, Export License, Origin Certificate etc, handling court cases and other administrative issues for timely export of purchased material to avoid payment of interest by the Govt. on account of any delay attributable to the Government.
11. This order issues with the concurrence of Finance Department vide their U.O Note No. 980/PFS/14, dated. 10-9-2014.
12. The Principal Chief Conservator of Forests, Andhra Pradesh, Hyderabad is requested to take further necessary action in the matter accordingly.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

S.P SINGH.

PRINCIPAL SECRETARY TO GOVERNMENT

To  
The Principal Chief Conservator of Forests,  
Andhra Pradesh, Hyderabad.

**Copy to:-**

M/s MSTC Ltd., New Delhi.

The Vice Chairman & Managing Director,  
Andhra Pradesh Forest Development Corporation Ltd. Hyderabad

P.S to Hon'ble Chief Minister.

OSD to Hon'ble Minister for Forests, Environment, Science & Technology.

P.S. to Chief Secretary.

P.S. to Prl. Secretary (PFS), Finance Department.

The ITE & C (e-procurement) Department

The Law Department

// FORWARDED :: BY ORDER //

SECTION OFFICER